

STATEMENT OF STANLEY M. SPEAKS, AREA DIRECTOR, PORTLAND OFFICE,
BUREAU OF INDIAN AFFAIRS, DEPARTMENT OF THE INTERIOR, AT THE
OVERSIGHT HEARING BEFORE THE COMMITTEE ON INDIAN AFFAIRS, UNITED
STATES SENATE, ON THE "RECOMMENDATIONS OF THE JOINT DOI/BIA/TRIBAL
TASK FORCE ON REORGANIZATION OF THE BUREAU OF INDIAN AFFAIRS".

MAY 18, 1995

Good morning Mr. Chairman and Members of the Committee. As a charter member of the Joint Tribal/BIA/DOI Task Force on Reorganization of the Bureau of Indian Affairs, and as the Portland Area Director for the Bureau of Indian Affairs (BIA), I am honored to appear before this Committee to report on the efforts taken by the Portland Area to implement the Task Force recommendations.

In the Portland Area, more than 80 percent of the total funding has been contracted or compacted by the Tribes. Ten Northwest Tribes, representing more than one third of the Self-Governance Tribes nation-wide, have entered into Self-Governance compacts. In Fiscal Year (FY) 1996, we expect at least six more Northwest Tribes out of an expected twenty new tribes throughout the United States to enter into Self-Governance compacts.

With this background it was natural that the Northwest Tribes would join with the BIA in creating the Portland Area Plan which is based on identifying a "Tribal Share" of our annual budget. In response to Pub. L. 93-638, as amended, and the National Performance Review (NPR), all program functions were examined to define which would be retained when all programs were contracted to Tribes. The Portland Area restructuring plan, which was developed with and approved by the Tribes, develops an area office that is streamlined and capable of shrinking further as more Tribes contract their share. When all tribal shares are contracted, only a residual staff will be retained to carry out the inherent Federal functions of the trust. All other functions or services will be administered by Tribes through Pub. L. 93-638 contracts.

The Portland Area Plan I am describing today is the cumulative

result of three and one-half years of joint Tribal/BIA efforts. The intensity of our efforts picked up in May of 1993 when the Portland Area Task Force representatives recommended that the Affiliated Tribes of Northwest Indians (ATNI) facilitate the Portland Area reorganization effort. As a result of that recommendation, a Joint BIA/ATNI Cooperative Agreement was established to ensure that Tribes were involved and that increased levels of communication and participation between Portland Area Tribes and the BIA staff would exist.

The Cooperative agreement with ATNI put Northwest Tribal leaders, Tribal staff people, and BIA personnel face to face in often intense work group sessions and consultation meetings. As a result, we received immediate Tribal input and response to specific Joint Task Force/BIA reorganization strategies and we created a forum to provide for the exchange of information between the national reorganization efforts and the efforts of the Portland Area BIA and Tribes.

In all, more than 270 individuals representing 41 of the 42 recognized Portland Area Tribes and all 12 Portland Area Agencies contributed to or participated in some or all of the Portland effort since May of 1993. Jointly, the Northwest Tribes and BIA employees defined inherent Federal functions for each area program. "Inherent Federal function" was defined as the residual trust responsibility to be maintained when all program services are contracted to all Area Tribes. We also finalized an appropriate formula for use in the distribution of program funds to the Tribes, and, finally, we agreed upon the percentages to use in computing those formulae. We then made Area functions and funding available to Tribes based on their desire to contract for those services. Eleven Tribes then elected to enter into Pub. L. 93-638 agreements to assume their share of contractible area functions and responsibilities.

As a consequence, approximately \$400,000 of previously non-contractible funding was added to existing Tribal bases and Pub. L. 93-638 contracts in FY 1995. At current projections, nearly \$1,200,000 of area funding will be added to existing Tribal contracts in FY 1996. Our experience using the Pub. L. 93-638 process as the vehicle to downsize the BIA has resulted in a real, immediate, and dramatic impact on BIA operations in the Portland Area, effectively shifting resources to Tribes and downsizing Federal operations.

As part of the identification of Tribal Shares, we have made FY 1996 base transfers to restructure our Area "Office Operations" (Area Direct) and Area "Field" programs (Tribal Priority Allocations). In FY 1996 our Area "Office Operations" program will contain only that funding necessary to fulfill our inherent Federal functions associated with residual trust responsibility in a fully contracted setting. Likewise, our Area "Field" program will consist of appropriated funds which have been identified by program and by dollar amount and which are contractible to Tribes. Both programs will be utilized to support BIA functions until all Tribes take their share of Area Field.

We have initiated other efforts in the Portland Area in support of the Task Force recommendations. For example, I am pleased to report that, with some exceptions, all of my operating authorities have been delegated to the Agency Superintendents in the field. We accomplished this with no increase in funding by simply designating that the Area Office staff provide support to the Agency Superintendents to carry out those authorities. The unknown in this effort is whether such a delegation will require us to maintain existing staff to support Agencies at the regional level. We believe that we maintained economies of scale and avoided costly reductions in force and employee relocations.

As a result of implementing the "Tribal Shares" concept the Area Office has had to redesign its organizational structure. The new structure when completed will reflect the NPR objective of increasing spans of control by instituting a team-matrix design. This structure replaces the traditional hierarchial BIA organization with a project management oriented approach, allowing for sharing of resources with concentration on measurable results and outcomes. In this type of matrix, organization employees join interdisciplinary teams rather than work within the confines of traditional branches. The "residual" staffing level left to fulfill inherent Federal functions (65 FTE) is approximately one-third of the previous number of employees in the Portland Area Office. Out of necessity the reorganization has forced us to make better use of the technical staff and to respond to the "ecosystem" management requirement used in other efforts such as the President's Forest Plan. We are optimistic that this reorganization will allow for the orderly transition to an ultimate residual level which will require the staff to do more with less.

As we develop the Portland Area Plan we find, particularly at the Agency level, a need to design the organization to meet the varied and individual needs of the Tribes to be served. There is no question on the diversity of Indian tribes, and certainly for the Northwest tribes, there is no satisfactory "one size fits all" approach. For example, of the 42 Tribes in our area ten Tribes have entered into Self-Governance agreements. In addition, the Colville Tribe chose a cooperative agreement by which the BIA and tribal resources are pooled to achieve tribal goals. The Grand Ronde Tribe has opted for and negotiated an "Indian Self-Determination Accord" that essentially designates the Area Office as the primary source for performance of the Federal official role in the delivery of trust services. We expect that similar unique agreements will be developed for the Makah, Coquille and other Northwest Tribes. It is clear that the Portland Plan will be

designed at both the Agency and Area level to allow Tribes the greatest flexibility to do business with the Federal Government in the manner best suited to their needs.

In all the actions we have taken in the Portland Area we have maintained a good faith effort to comply with Pub. L. 93-638, as amended. Over the course of our effort we learned that because of the multitude of issues that permeate the Tribal Shares determination process we need to develop a more orderly structured process that addresses, to the extent practicable, all issues.

In summary, the essence of the Portland Plan is that the BIA and Tribes created a relationship which led to a working partnership to define the future of the BIA. Through this process everyone developed an understanding of the government-to-government relationship and provided the means to clearly identify the limits of existing resources within which the BIA and the Tribes can work jointly to achieve mutual goals.

This concludes my prepared statement. I will gladly respond to any questions the Committee may have.